

## The Kentucky State Board for Proprietary Education

June 17, 2011

A regular meeting of the Kentucky State Board for Proprietary Education was conducted on June 17, 2011 at the Office of Occupations and Professions, in Frankfort, Kentucky.

<b><u>Members Present</u></b> Bill Johnson, Chair Jan Gordon Alison Cuentas Mike Powers Dr. Meade Lois Weaver David Keene Glen Wilham  <b><u>Members Absent</u></b> Vivian Nash Guvant Shah	<b><u>Occupations and Professions Personnel</u></b> Lindsey Lane, Board Administrator Shannon Tivitt, Executive Director  <b><u>Others</u></b> Brenda Allen, General Counsel Sgt. Derris Hedger, Kentucky State Police Trisha Mullins, Medical Career Training Center Cindy Landry, ATA College Greg Goins, The Medical Institute of Kentucky Kristi Bertrand, Medical Career Training Center Kim Garrison, Medical Career Training Center John Kelley, The Medical Institute of Kentucky
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Chairman Bill Johnson called the meeting to order at 10:15am.

### **Approval of Minutes**

Minutes of the May 20, 2011 meeting were presented for the Board's review. Mr. Powers made a motion to approve the minutes as presented. Dr. Meade seconded that motion and it carried unanimously.

### **Approval of Financial Statements**

The financial statement for the month ending May 31, 2011 was presented for the Board's review. Mr. Powers made a motion to approve the financial statement. Ms. Gordon seconded that motion and it carried unanimously. Shannon Tivitt, Executive Director of the Office of Occupations and Professions informed the Board that she would be meeting with the State Budget Office next week regarding Financial Statements. Ms. Tivitt wants to ensure better quality numbers and look into using a different format.

### **Licensure Status Report**

The Board reviewed the Licensure Report for the month ending May 31, 2011. The report showed there are currently 134 Resident Schools and 30 Non-Resident Schools for a total of 164 Licensed Schools. There are also 170 School Agents and 47 CDL Instructors licensed by the Board.

### **Executive Director Report**

Ms. Tivitt discussed the recent hearing with the Interim Joint Committee on Licensing and Occupations that several Board members attended. The Auditors Office made a presentation at the hearing regarding the audit findings they had for the Board as well as the Office of Occupations and Professions. The Auditors Office did inform the committee that the Board and the Office of Occupations and Professions were working towards making corrections and that with the new leadership both would be moving forward. Ms. Tivitt explained the Board did receive one request from the committee and that was to submit any recommendations for legislative changes that can be made.

Ms. Tivitt recommended holding a Special Meeting before the regularly scheduled July meeting. Ms. Tivitt would like to go over all thirty nine audit findings and discuss the next step in the Decker College claims that were submitted to the Student Protection Fund. Moving forward Chairman Johnson has asked that a couple of members volunteer to serve on the audit committee that will work closely with Ms. Tivitt, Ms. Allen, and other cabinet officials to begin taking the appropriate steps to making changes and improvements in the Boards policies and procedures.

According to KRS 43.090 the Board has sixty days to file a response to the Auditors Office and the Legislative Research Commission on where the Board currently stands and what steps they're taking to make the necessary changes. Ms. Tivitt explained in her response that she's planning to restructure the office by adding more management positions to oversee daily operations. This new structure will also ensure the accountability of administrative and fiscal responsibilities. The office has also been working with the Attorney General's Office to finalize a new Memorandum of Agreement between the Boards and the Office. The response also explains the Board will be establishing an Audit Compliance Committee with four board members to review audit recommendations and advise the Board on implementation strategies.

Ms. Tivitt also recommended holding a round table discussion with the Council on Post Secondary Education, Legislative Research Commission, and Schools currently licensed by the

Board. The Board will discuss this issue further in the Special Meeting that will be held July 14, 2011.

### **Board Administrator Report**

Ms. Lane informed the Board of all actions that she had taken since the May 20, 2011 meeting. There were Resident School approval letters sent to John Casablanco's Modeling and Career Center in Cincinnati, Ohio and Right Choice Health Care Training Institute in Louisville, Kentucky. A Resident School deferral letter was sent to Medical Career Training Center in Richmond, Kentucky. Evidence in Motion received approvals letters for both of their New Program Applications to offer Sports Physical Therapy Residency, and Transitional DPT in Musculoskeletal Management. Century Real Estate School in Louisville, Kentucky also received an approval letter for their New Program, Pre-Licensing. Spencerian College in Louisville, Kentucky, Spencerian College in Lexington, Kentucky, and Lexington Healing Arts Academy in Lexington, Kentucky all received acknowledgement letters for their notifications to revise existing programs for less than 25% in their institutions. ABLE Incorporated received an approval letter for their Application to Change their name to ExamFX. Healthcare Training School received a deferral letter for their application to Change the Location of their school. Once their missing items are submitted the Board will review that application again.

Out of five Decker College transcript requests Ms. Lane was able to fulfill four requests.

### **Board Counsel Report**

Ms. Allen informed the Board that she recently met with some staff at the Attorney General's Office. They expressed some concern over how the Board advertised the Student Protection Fund claim forms. They feel there are thousands of potential applicants out there that never were made aware of the possibility of filing a claim. They provided a database for our office to use in researching names of these individuals. While taking the task on of finding these individuals, Ms. Lane will begin receiving some help from Ms. Allen's paralegal who will research Decker students and updated addresses. Ms. Tivitt and Ms. Allen will also be meeting with Bob Keets in the next week who is the Decker College Bankruptcy Trustee to see what kind of records he holds.

### **Board Chair**

Mr. Johnson thanked the Board members that were able to attend the May Hearing with the Interim Joint Committee.

### **New Schools / Programs Committee**

#### **Application for a Resident School**

Mr. Powers made a motion to approve the Resident School Application from the Medical Career Training Center, located in Richmond, Kentucky pending a copy of certification from the Chief Financial Officer. Mr. Keene seconded that motion and it carried. Ms. Gordon recused herself. Due to litigation Dr. Meade was asked to leave the room while this application was discussed. He was able to reenter once the matter had been voted on and the school received approval.

#### Application for a Non-Resident School

Dr. Meade made a motion to approve the Non Resident School Application for Advanced Technology Institute located in Virginia Beach, Virginia. Mr. Powers seconded that motion and it carried. Ms. Gordon asked Counsel how they will proceed with site visits and Ms. Allen explained any out of state school can comply by submitting documentation of school facility such as fire inspection or certificate of occupancy.

#### Application to Change the Location of a School

Ms. Gordon made a motion to approve the Application to Change the Location of a School submitted by Healthcare Training School in Bardstown, Kentucky subject to a maximum number of eight students per class based on facility capabilities. Mr. Powers seconded that motion and it carried.

#### Application to Award an Associate Degree

Mr. Gordon made a motion to approve the Application to Award an Associate Degree submitted by Wyo Tech for their Associate Degree in Specialized Technology in Marine Technology and Management. Ms. Weaver seconded that motion and it carried.

#### Application to Change the Name of a School

Ms. Gordon made a motion to approve the Application to Change the Name of a School submitted by WebCE in Richardson, Texas. The school has been approved to change their name to WebCE, Inc. Mr. Keene seconded that motion and it carried.

#### Application for a New Program

Ms. Gordon made a motion to defer the Application for New Program submitted by WebCE in Richardson, Texas due to missing course information. Mr. Keene seconded that motion and it carried.

Ms. Gordon made a motion to approve the Application for New Program submitted by Home Services Real Estate Academy located in Louisville, Kentucky. Ms. Weaver seconded that motion and it carried. Mr. Powers recused himself.

### Application to Transfer Ownership of a School

Ms. Gordon made a motion to defer the Application to Transfer Ownership of a School submitted by Institute for Continuing Education, Inc. located in Woodstock, IL. The school has not submitted all required paperwork for the Board to review and make a decision. Mr. Powers seconded that motion and it carried.

Ms. Gordon made a motion to approve the Application to Transfer Ownership of a School submitted by WebCE located in Richardson, Texas. Mr. Keene seconded that motion and it carried.

### Notification to Revise and Existing Program for Less than 25%

Ms. Weaver made a motion to acknowledge receipt of the following revision of the existing programs at Lincoln College of Technology in Florence, KY for less than 25%:

- Medical Coding and Billing
- Medical Assisting Technology

Mr. Powers seconded that motion and it carried.

Ms. Weaver made a motion to acknowledge receipt of the following revision of the existing programs at Spencerian College in Louisville, KY for less than 25%:

- Medical Administrative Management
- Medical Clinical Specialties

Mr. Powers seconded that motion and it carried. Ms. Gordon and Mr. Keene recused themselves.

### **Commercial Drivers License Committee Report**

Mr. Wilham informed the Board of a CDL school licensed by the Board that is currently advertising with false information. He feels the advertisements are very misleading and asked that legal counsel take a look at the advertisements and report back to the Board with her thoughts and suggestions.

### **Complaint Review Committee Report**

The complaint review committee met and had the following recommendations to the full Board:

2011 Renewals – Mr. Powers made a motion to approve all complete applications (See Attached List). Mr. Wilham seconded that motion and it carried. Mr. Powers made another motion that all pending applications be approved subject to all information required to fulfill the application be submitted to Board Administrator before July 1, 2011 (See attached list). Mr. Wilham seconded that motion and it carried.

#2011-001 – Mr. Powers made a motion to dismiss the complaint. Mr. Wilham seconded that motion and it carried. Ms. Gordon and Mr. Keene recused themselves from the vote.

#2011-002 – Mr. Powers made a motion to dismiss the complaint. Mr. Wilham seconded that motion and it carried. Ms. Gordon recused herself.

#2010-004 – This case is still pending.

### **Investigator Report**

Dr. Barren reported a Satisfactory Inspection with Right Choice Health Care in Louisville, Kentucky.

### **New Business**

The Special Meeting date has been set for July 14, 2011 at 10:00am. Ms. Lane will have lunch brought in so the Board can continue working through lunch. The agenda will include the following:

- Audit Recommendations
- Decker College
- Roundtable Discussion

Ms. Lane informed the Board of a school operating in Louisville, Kentucky without a license from the Board. Mr. Powers made a motion for Tom Barron, Board Investigator look into this and report back to the Board in the July meeting.

An article regarding Gainful Employment was reviewed by all members. These changes should only affect Title Four schools. This law allows for more disclosure between schools and students.

### **Travel and Per Diem**

Mr. Powers made a motion to approve travel and per diem for all members that attended today's meeting as well as any member that traveled on Board related business since the May meeting. Ms. Gordon seconded that motion and it carried unanimously.

### **Adjournment**

Ms. Gordon made a motion to adjourn the meeting. Mr. Wilham seconded that motion and it carried unanimously.

Meeting adjourned at 12:15pm.